



Natural Resources Conservation Service
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January 29, 2009

PENNSYLVANIA BULLETIN NO. PA300-9-2

SUBJECT: LTP – Required Documentation for Conservation Program Contracts

Purpose: To reaffirm the need to collect and maintain documentation for conservation program contracts as described in the Conservation Programs Manuals, General Manual Title 440.

Targeted Audience: District Conservationists and all field personnel

Background: Recent activity from the NRCS Financial Review indicates a need for NRCS employees to more fully understand the need for strict adherence to NRCS policy on documentation requirements for contracts and producer eligibility requirements under NRCS Financial Assistance programs.

Action: NRCS Supervisory District Conservationists and District Conservationists are to ensure that all conservation program contracts contain the required documentation and information regarding eligibility before contracts are approved for funding. Employees are to refer to NRCS policy in CPM-440 and related program manuals on contract documentation and eligibility requirements.

A short list of some of the most common contract documentation requirements are attached to this bulletin, but employees should be fully acquainted with the specific program manuals and the sections that deal with documentation requirements.

\S\ Gary P. Smith, Acting

CRAIG R. DERICKSON
State Conservationist

2 Enclosures

- Contract Documentation Requirements list
- Copy of Landowner Authorization Form

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NRCS Conservation Program Contract Documentation Requirements

1. **Farm Records at USDA** -Applicants must have farm records established with the USDA Farm Service Agency (FSA) to be eligible for NRCS financial assistance through the Environmental Quality Incentive Program (EQIP) and other programs.
2. **Individual or Entity Applications** – Applicants who are not applying as a sole individual using their own name and social security number, such as an entity (Corporation, Limited Partnership, Trust, Estate, etc), must provide full documentation for the legal name and IRS tax number of the entity, its IRS Tax Number, and provide information about members, member shares, and member Social Security Numbers. The CCC501 and 502 forms have been historically used to document this; new forms CCC 901 and 902 are being phased in. In addition, partnership papers should be on file to show who has authority to sign for the entity. All members of an entity do not need to sign the application, but all members do need to sign the contract and appendix unless they provide partnership papers and/or Power of Attorney that specify specific individuals who can sign on behalf of the entity or other members. Some exceptions to this is for General Partnerships.
3. **Meet Ag Producer Requirements – To be eligible for EQIP**, applicants must be engaged in livestock or agricultural production and have produced at least \$1,000 of agricultural products in a year. Prior year income tax records may be requested to substantiate this requirement.
4. **Beginning Farmers, Limited Resource Farmers and Socially Disadvantaged Farmers** - Applicants claiming status as a beginning farmer or a limited resource farmer will be asked to provide evidence to substantiate they qualify, before signing a contract that provides higher payment rates or offers special funding available only for farmers who meet those special criteria. Criteria to document that a person really is a member of one of the target groups for Socially Disadvantaged Farmers have not yet been developed. To be eligible for higher payment rates and/or qualify to compete in targeted funding pools, all members of an operation must qualify for the specific category they are claiming. For example, a partnership consisting of an Hispanic person and an African American person could qualify as socially disadvantaged, but an operation consisting of an Hispanic farmer and a Beginning farmer would not be able to fully meet requirements as an operation to qualify as Socially Disadvantaged or Beginning farmer.
 - a. ***Beginning farmer means*** an individual or entity who:
 - i. Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. (income tax records may be requested)
 - b. ***Socially disadvantaged farmer or rancher*** includes African-Americans, Native Americans, Alaskan Natives, Hispanics, Asians, and Pacific Islanders.

Limited Resource Farmer: See <http://www.lrftool.sc.egov.usda.gov/>

5. **Control of Land** – Applicants must provide evidence of control of the land for the length of the contract. Owners can provide evidence by a copy of the Deed or other legal evidence including documentation from county tax records, etc. Persons who rent or lease ground can provide evidence of control of the land with a written lease agreement signed by both parties or by a written LANDOWNER AUTHORIZATION FORM wherein the landowner fully authorizes the applicant to have control of land for the life of the contract period, or the owner can sign the contract and receive 0% share of the payments
6. **Land Enrolled in other USDA Programs** – The applicant must fully disclose at the time of making application that the land offered under this application is already enrolled in any other USDA conservation programs.

FINANCIAL ASSISTANCE PROGRAMS
Control of Land Certification by Owner

LAND UNIT DESCRIPTION:

For the above described land unit that I own, I hereby certify that my
Tenant, _____, will have control of this land for the
purpose of satisfying the terms and conditions of a Financial Assistance
Program Contract, for the proposed contract period, _____years.

Landowner Signature

Date